

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
In re:

SWEET N SOUR 7TH AVE CORP.,

Debtor.
-----X

Chapter 11
Case No. 10-12723 (MG)

**DECLARATION OF LEONARD FOX IN SUPPORT OF
MOTION OF FOX 716 REALTY LLC SEEKING ENTRY OF ORDER
PURSUANT TO 11 U.S.C. §362 GRANTING RELIEF FROM AUTOMATIC STAY**

Leonard Fox, pursuant to 28 U.S.C. §1746, declares under penalty of perjury as follows:

1. I am the managing member of Fox 716 Realty LLC ("Movant"). Movant is the owner of the commercial real property known as 158 East 45th Street, New York, New York 10017 located in the building known as 154-160 East 45th Street a/k/a 716 Third Avenue, New York, New York 10017 (the "Premises") and a creditor of Sweet N Sour 7th Ave. Corp., the above-captioned debtor (the "Debtor").

2. I respectfully submit this declaration in support of the Movant's Motion¹ dated May 27, 2010.

3. I have read the Motion and I am personally familiar with the facts set forth in the Motion which are true and correct to the best of my knowledge, information and belief.

4. Movant is the landlord of the Premises, having executed a four (4) year and nine (9) month lease, dated January 31, 2007, with the Debtor. (A copy of the Lease is annexed hereto as **Exhibit A.**)

5. On or about January 20, 2010, Movant commenced a non-payment summary proceeding against the Debtor because the Debtor was in substantial default in payment of rent. (Copies of the Notice of Petition, Petition for Non-Payment and Affidavit of Service are annexed hereto as **Exhibit B.**)

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

6. As of the Filing Date, the Debtor owed Movant \$60,715.00 in rent and other charges. The Debtor has not paid any postpetition rent to Movant. (A copy of an accounting of the prepetition rent owed by the Debtor is annexed hereto as **Exhibit C.**)

7. On March 17, 2010, the Housing Court "so ordered" a stipulation (the "Stipulation") entered into between the Movant and the Debtor in connection with the Non-Payment Action. (A copy of the Stipulation is annexed hereto as **Exhibit D.**)

8. Under the terms of the Stipulation a warrant of eviction (the "Warrant") was issued against the Debtor and the execution of the Warrant was stayed on, among other conditions, the Debtor pay rent pursuant to a rent schedule defined in the Stipulation. (A copy of the Warrant is annexed hereto as **Exhibit E.**)

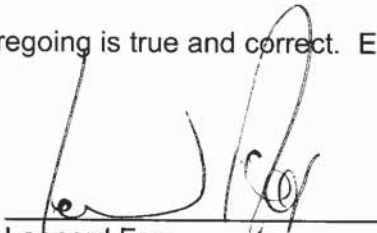
9. On May 14, 2010 the Debtor was in default under the Stipulation because it failed to remit payment due May 7, 2010 pursuant to the terms of the Stipulation and the April 2010 rent payment was returned as unpaid. Accordingly, the Movant provided the Debtor with 3 days written notice of such default and the Debtor failed to cure the default within 3 days of receiving the Notice. (A copy of the Notice is annexed hereto as **Exhibit F.**)

10. Movant is holding a security deposit of \$27,540.00 as of the Filing Date.

11. Based on the timing of the Debtor's bankruptcy filing and the fact that this appears to be a two-party dispute, I believe that this case is a stalling tactic by the Debtor to frustrate Movant's enforcement of the Warrant.

12. For the foregoing reasons and the reasons set forth in the Motion, I respectfully request that the Motion be granted.

I declare under penalty of perjury that the foregoing is true and correct. Executed in New York, New York on May 27, 2010


Leonard Fox